Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Year 2000 Biennial Regulatory Review --	)	
Amendment of Part 22 of the Commission's	)	WT Docket No. 01-108
Rules to Modify or Eliminate Outdated	)	
Rules Affecting the Cellular	)	
Radiotelephone Service and other	)	
Commercial Mobile Radio Services	)	

To: The Commission

REPLY COMMENTS OF MERCEDES-BENZ USA, LLC

Mercedes-Benz USA, LLC ("MBUSA"), on behalf of its parent company, DaimlerChrysler AG, hereby submits reply comments in response to the Notice of Proposed Rulemaking (the "NPRM") released by the Federal Communications Commission (the "FCC" or the "Commission") on May 17, 2001 in the above-captioned proceeding. 1/ In the NPRM, the FCC requested comment on the modification or elimination of the Advanced Mobile Phone Service ("AMPS") analog cellular compatibility standard (the "Standard"), and other proposed technical rule changes. Section 22.901 of the Commission's Rules currently requires cellular

1/ *Year 2000 Biennial Regulatory Review – Amendment Of Part 22 Of The Commission's Rules To Modify Or Eliminate Outdated Rules Affecting The Cellular Radiotelephone Service And Other Commercial Mobile Radio Services, Notice of Proposed Rule Making,* FCC 01-153, WT Docket No. 01-

carriers to provide analog cellular services in compliance with the AMPS standard, the cornerstone of the existing analog cellular service currently used by approximately 41.9 million users in the U.S. 2/

MBUSA welcomes the opportunity to address the impact that a modification or removal of the Commission's analog cellular rules will have on the telematics industry. MBUSA is an automobile importer and distributor dedicated to providing maximum safety and convenience to its customers, and uses innovative technology to promote these goals. The Commission's decision in this proceeding has the potential to undermine the effectiveness of telematics technology, which will ultimately have a negative impact on the safety of motorists on America's highways.

The Standard, which was created to promote interoperability and roaming within the analog cellular industry, is currently an essential foundation of telematics technology. MBUSA recognizes that as the industry develops, digital technologies will eventually replace analog cellular systems. At the present time, however, a sudden change in the Standard would have an adverse impact on the provision of telematics services. Therefore, MBUSA recommends that in resolving the question at issue the Commission develop a framework for determining when the transition might occur without harming industries that rely on analog cellular

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108 (2001).

2/ NPRM at 12.

systems. Such a framework would create certainty in the wireless industry, and would allow the industry to evolve away from the analog cellular standard while permitting telematics equipment manufacturers and service providers adequate time to transition to new technologies.

I. TELEMATICS TECHNOLOGY SAVES LIVES ON AMERICA'S HIGHWAYS

"Telematics" is the term used for the integration of location technology and wireless communications to provide a variety of automotive and mobile applications. In recent years, telematics technology has permitted automobile manufacturers to offer consumers a variety of safety, security, productivity, convenience, and entertainment services.

MBUSA has partnered with ATX Technologies, Inc. ("ATX") to offer a telematics service known as Tele Aid. Tele Aid features a three-button system that permits users to call for emergency assistance, roadside assistance or information. MBUSA currently has an installed base of roughly 300,000 Tele Aid units, and expects to install roughly 200,000 units per year over the next several years.

Among Tele Aid's services are an emergency call system that has the capability to automatically call for help in case of an accident. With the aid of several crash sensors, the system automatically registers that an accident has occurred, and immediately sends a distress signal to a service center. Tele Aid contains a GPS satellite system that determines the vehicle's current location at

any point in time, and this information is automatically relayed to the call service center in case of an accident. In addition, a voice connection is made to the emergency-call center via a hands-free telephone unit, allowing the vehicle's occupants to communicate with rescuers to ensure that the appropriate emergency assistance is dispatched. The distress signal can also be manually triggered.

Tele Aid devices significantly improve the safety of motorists on America's roadways. Rescue response times after an accident can be significantly reduced using Tele Aid, which in some circumstances means that lives are saved. Moreover, the ability of a driver or passenger to describe the condition of crash victims allows the information to be relayed to rescue workers on the way to an accident, resulting in quicker and more effective response actions that can save lives and reduce medical costs. Tele Aid systems permit the delivery of emergency services to young children locked in cars, disoriented elderly motorists, heart attack victims, drivers who become lost in snowstorms, and motorists who have been carjacked. In such cases, the vehicle's position and relevant vehicle data are transmitted even if the driver is unable to speak.

There is also a tremendous safety benefit in removing stranded or damaged automobiles from roadways more quickly. Disabled automobiles cause traffic congestion and often lead to subsequent chain reaction accidents, which can cause serious injury or death to stranded motorists. Telematics technology improves the

response time in removing disabled automobiles from streets and highways, thus improving the safety and efficiency of America's roadways.

II. ELIMINATION OF THE STANDARD WOULD THREATEN THE EFFECTIVENESS OF TELEMATICS SERVICES

As has been noted by other commenters in this proceeding, an elimination of the Standard would threaten the effectiveness of telematics services, 3/ and a sudden change in the Standard would have a negative impact on the safety of motorists on America's roadways.

Current telematics services rely on analog cellular technology. While MBUSA is actively exploring digital alternatives, at the present time digital wireless pose several problems. The currently available digital wireless services are not equivalent to the analog service around which telematics systems were designed.

Analog cellular service continues to provide the most ubiquitous coverage throughout the United States. While digital systems are expanding in their coverage area, there is no standardization in digital systems. Currently, some digital systems operate under the TDMA standard, others use the CDMA standard, and still others the GSM standard. These standards are not interoperable, as the

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3/ See, e.g., Comments of Onstar Corporation at 6 – 9; Comments of ATX Technologies, Inc. at 12 – 17.

manner in which data is sent and processed varies dramatically between the standards.

Because of this lack of uniformity, roaming does not exist in digital services to the extent that it is possible in analog. At the present time, it is not feasible to design a telematics device that could operate using all three of the existing standards. Thus, telematics developers would be faced with the prospect of selecting one standard in designing the units. In addition, since rural carriers are expected to continue using analog cellular systems for some period of time in the future, it would be necessary to design telematics devices that operate in both cellular and analog mode, adding a significant cost to each installed Tele Aid unit. 4/

It is not likely that the marketplace will solve the standardization problem in the near future. Without a national standard, there is no incentive for carriers to become interoperable. The lack of standardization is particularly problematic in the telematics industry since manufacturers must select a technology that will be embedded in an automobile designed to last up to 20 years. Moreover, because MBUSA has designed its Tele Aid devices for maximum crash survivability, the devices are embedded in a location within the automobile that makes changes to the unit difficult, time-consuming and costly. It is not feasible to expect automobile

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4/ MBUSA estimates that providing dual-mode capability would add approximately $100 to the current $285 cost per unit.

users to return to the dealership for Tele Aid hardware modifications as standards evolve.

III. RECOMMENDED TRANSITION PLAN

If the Commission decides to modify or eliminate the Standard, it should adopt a reasoned transition plan. A large number of commenters in this proceeding have recommended some sunset period rather than an immediate elimination of the Standard. 5/ MBUSA agrees that a transition period would be needed, but suggests that the Commission establish a framework for determining when the industry would be ready to make the change away from the Standard.

First, the Commission should not modify or eliminate the Standard until there are adequate digital alternatives for users that currently rely on analog technology. Currently, individual consumers, as well as entire industry sectors, rely on analog cellular technology for voice and data. This includes industries such as telematics that need digital technology capable of transmitting emergency calls, as well as other users such as deaf and hard of hearing users who need digital systems that are compatible with TTYs and hearing aids. 6/ Digital wireless

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5/ *See, e.g.*, Comments of the Cellular Telecommunications & Internet Association, Comments of Sprint PCS, Comments of Qwest Wireless, LLC, Comments of the Rural Telecommunications Group, Comments of Verizon Wireless and Comments of Deere & Company.

6/ *See* Comments of the National Association of the Deaf, Comments of Self Help for hard of Hearing People, Comments of the Council of Organizational Representatives on National Issues Concerning People who are Deaf or Hard of Hearing, Comments of the League for the Hard of Hearing, Comments of the Alexander Graham Bell Association for the Deaf and Hard of Hearing, Comments of Telecommunications for the Deaf, Inc., Comments of Ronald H. Vickery, Comments of

technology is in its infancy, does not currently provide a satisfactory alternative to analog and must be given more time to develop before analog service is permitted to terminate.

Second, the Commission should not modify or eliminate the Standard until there is sufficient standardization in the digital industry so that some form of ubiquitous digital service is available throughout the U.S. Ubiquitous service means service that is available in all geographic regions of the U.S., both rural and urban. Ubiquitous service could be achieved either through the adoption of a common standard in the industry, thus permitting roaming, or through sufficient nationwide penetration by a carrier or carriers using any one standard.

Third, in order to ensure nationwide availability and affordability, the Commission should not modify or eliminate the Standard until the price point for technology permitting nationwide roaming drops to an acceptable level. Specifically, MBUSA recommends that the Standard should not be modified or eliminated until the incremental development costs associated with incorporating dual mode or tri-mode equipment into automotive telematics equipment becomes less than $90 per unit. Maintaining the standard until this price point has been achieved will ensure that telematics will be affordable, and therefore available, to a wide range of consumers.

Ronnald E. McElvogue, Comments of Eileen Kosterich.

In any case, the Commission must give adequate notice to the industry before making changes to the Standard. Because of the time required to design and develop telematics technology and to deploy it in automobiles, and because of the high cost of making changes to telematics devices already deployed, the Commission should give at least five years' notice to the industry before any change to the Standard becomes effective.

IV. CONCLUSION

For the foregoing reasons, MBUSA believes that the Commission should not eliminate the analog cellular compatibility standard at this time. While a transition from the Standard might be inevitable, MBUSA urges the Commission to take a cautious approach to such a transition. The Commission should establish a framework by which it can determine when the industry would be ready to make

such a transition, and should allow the industry ample time to prepare for such a change.

Respectfully submitted,

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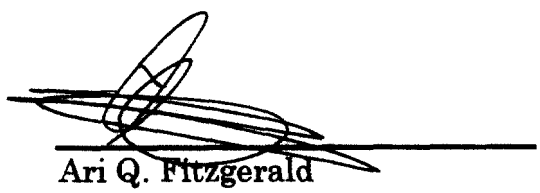

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